

MEDICAID SERVICES MANUAL  
TRANSMITTAL LETTER

November 13, 2014

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: TAMMY MOFFITT, CHIEF OF PROGRAM INTEGRITY

SUBJECT: MEDICAID SERVICES MANUAL CHANGES  
CHAPTER 3400 – TELEHEALTH SERVICES



**BACKGROUND AND EXPLANATION**

Revisions to Medicaid Services Manual (MSM) Chapter 3400, Telehealth Services, are being proposed to remove geographic barriers from originating sites for telehealth services. Originating sites, or the location where an eligible Medicaid recipient is at the time service is being furnished via a telecommunications system, will include rural, suburban and urban locations. Facilities that qualify as originating sites continue to follow existing policy guidelines.

Throughout the chapter, grammar, punctuation, and capitalization changes were made, duplications removed, acronyms used and standardized, and language reworded for clarity.

These changes are effective November 14, 2014.

**MATERIAL TRANSMITTED**

MTL 19/14  
CHAPTER 3400 – TELEHEALTH  
SERVICES

**MATERIAL SUPERSEDED**

MTL 23/12  
CHAPTER 3400 – TELEHEALTH  
SERVICES

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
3403.1	Telehealth Policy	Removed language that an originating site can only be in rural areas including rural Health Professional Shortage Areas (HPSAs) or a county not included in a Metropolitan Statistical Area (MSA).  Added that an originating site can be in rural, suburban or urban locations within Nevada.
3403.7	Recipient Responsibility	Removed language relating to HPSA and MSA and added reference to Section 3403.2(a.) regarding qualifying originating sites.

DIVISION OF HEALTH CARE FINANCING AND POLICY

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## 3400 INTRODUCTION

Telehealth is the use of a telecommunications system to substitute for an in-person encounter for professional consultations, office visits, office psychiatry services, and a limited number of other medical services.

All providers participating in the Medicaid and Nevada Check Up (NCU) programs must offer services in accordance with the rules and regulations of the Division of Health Care Financing and Policy (DHCFP).

Telehealth services are an optional benefit within the DHCFP.

All Medicaid policies and requirements (such as prior authorization, etc.) are the same for NCU. For further clarification, please refer to the NCU Manual, Chapter 1000.

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## 3401 AUTHORITY

The State Legislature grants authority to the relevant professional licensure boards to set the standard of practice for licensed professionals in the Nevada Revised Statutes (NRS) for the following specialists:

- a. NRS-Chapter 449-Hospitals;
- b. NRS-Chapter 629-Healing Arts Generally;
- c. NRS-Chapter 630-Physicians and Physician Assistants;
- d. NRS-Chapter 632-Nursing;
- e. NRS-Chapter 633-Osteopathic Medicine; and
- f. NRS-Chapter 641-Psychologists, Social Workers.

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## 3403 POLICY

### 3403.1 TELEHEALTH POLICY

The Division of Health Care Financing and Policy (DHCFP) reimburses for telehealth services. The originating site must be located in **rural, suburban or urban locations with no geographical restrictions within the state of Nevada.**

The distant site is the site where the provider delivering services is located at the time the service is provided via a telecommunications system.

Photographs must be specific to the patient's condition and adequate for rendering or confirming a diagnosis or a treatment plan. Dermatologic photographs (e.g., photographs of a skin lesion) may be considered to meet the requirement of a single media format under this instruction.

Reimbursement for the DHCFP covered telehealth services must satisfy federal requirements of efficiency, economy and quality of care.

All participating providers must adhere to requirements of the Health Insurance Portability and Accountability Act (HIPAA). The DHCFP may not participate in any medium not deemed appropriate for protected health information by the DHCFP's HIPAA Security Officer.

### 3403.2 TELEHEALTH SERVICES AT ORIGINATING SITE

The originating site is the location where an eligible Medicaid/NCU recipient is at the time the service is being furnished (via a telecommunications system).

- a. Telehealth services may substitute for an in-person encounter at the following originating sites:
  1. Office of physician, Physician Assistant, Nurse Practitioner (NP) or nurse midwife;
  2. Critical Access Hospital (CAH);
  3. Rural Health Clinic (RHC);
  4. Federally Qualified Health Center (FQHC);
  5. Hospital;
  6. Hospital-based or CAH-based renal dialysis center (including satellites);

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7. Skilled Nursing Facility (SNF);
8. Office of Clinical Psychologist (CP);
9. Office of Clinical Social Worker (CSW);
10. Community Mental Health Centers (CMHC); or
11. Indian Health Services/Tribal Organization/Urban Indian Organization (I/T/U) Indian Health Programs.

### 3403.3 TELEHEALTH SERVICE PROVIDERS AT DISTANT SITE

The reimbursement amount for the professional service provided (via a telecommunications system) by the physician or provider at the distant site is equal to the current physician fee schedule amount for the service. Reimbursement for telehealth services should be made at the same amount as when these services are furnished without the use of a telecommunications system. The service must be within a provider's scope of practice under state law. When the physician or provider at the distant site is licensed or otherwise authorized under state law to provide a covered telehealth service, then he or she may bill for and receive reimbursement for this service when delivered via a telecommunications system.

The behavioral health provider at the distant site must be licensed to furnish the service under Nevada state law. The behavioral health provider at the distant site who is licensed or otherwise authorized under Nevada state law to furnish a covered telehealth service may bill and receive reimbursement for the service when it is delivered (via a telecommunications system).

The following medical/behavioral health providers may bill for a covered telehealth service at a distant site:

- a. Physician;
- b. Advanced Practitioner of Nursing (APN);
- c. Physician Assistant;
- d. Nurse midwife;
- e. Licensed Clinical Psychologist (LCP);
- f. Licensed Clinical Social Worker (LCSW); or

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- g. Clinical staff employed and determined by a state mental health agency to meet established class specification qualifications of a Mental Health Counselor, Clinical Social Worker or Psychological Assistant.

#### 3403.4 COVERED TELEHEALTH SERVICES

The following telehealth services are considered covered by the DHCFP:

- a. Consultations;
- b. Follow up inpatient telehealth consultations;
- c. Office of other outpatient visits;
- d. Subsequent hospital care services;
- e. Subsequent nursing facility care services;
- f. Individual psychotherapy;
- g. Pharmacologic management;
- h. Psychiatric diagnostic interview examination;
- i. End Stage Renal Disease (ESRD) related services;
- j. Neurobehavioral status exam;
- k. Individual health and behavior assessment and interventions;
- l. Individual and group Diabetes Self-Management Training (DSMT) services; or
- m. Smoking cessation counseling for pregnant women only.

#### 3403.5 COVERAGE AND LIMITATIONS

The following coverage and limitations pertain to telehealth services:

- a. The medical examination of the patient is under the control of the physician or provider at the distant site.
- b. While the distant physician or provider may request a telepresenter, a telepresenter is not required as a condition of reimbursement.



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1. Subsequent Hospital Care:
  - a. Subsequent hospital care is limited to one telehealth visit every **three** calendar days.
  - b. The frequency limit of the benefit is not intended to apply to consulting physicians or providers, who should continue to report initial or follow-up inpatient telehealth consultations.
2. Subsequent Nursing Facility Care
  - a. Subsequent nursing facility care is limited to one telehealth visit every 30 calendar days.
  - b. Subsequent nursing facility care services reported for a federally-mandated periodic visit under 42 Code of Federal Regulations (CFR) 483.40(c) may not be furnished through telehealth.
  - c. The frequency limit of the benefit is not intended to apply to consulting physicians or providers who should continue to report initial or follow-up inpatient telehealth consultations.
3. Inpatient Telehealth Consultations
  - a. Inpatient telehealth consultations are furnished to beneficiaries in hospitals or SNF (via telehealth) at the request of the physician of record, the attending physician, or another provider.
  - b. The physician or provider who furnishes the initial inpatient consultation (via telehealth) cannot be the physician or provider of record or the attending physician or provider.
  - c. Counseling and coordination of care with other providers or agencies is included as well, consistent with the nature of the problem(s) and the patient's needs.
4. Diabetes Self Management Training (DSMT) Individual and Group
  - a. DSMT must include at least one hour of the ten hour benefit in the year following the initial DSMT service and must be furnished in-person to allow for effective injection training.

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- b. Injection training may be furnished through either individual or group DSMT services.
  - c. By reporting DSMT services, the distant site provider certifies that the beneficiary has received or will receive one hour of in-person DSMT services for the purpose of injection training during the year following initial DSMT service.
  - d. Individual DSMT services may be furnished by a physician, individual, or entity that furnishes other services for which direct reimbursement may be made and that submits necessary documentation to and is accredited by, an accreditation organization approved by the Centers for Medicare and Medicaid Services (CMS).
  - e. Consistent with statutory requirements, individual DSMT services furnished as a telehealth service can only be furnished by a licensed Physician Assistant, NP, certified registered nurse midwife (CRNM), clinical psychologist, or CSW. Refer to Medicaid Services Manual (MSM) Chapter 600 for medical coverage requirements.
- 5. Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW) and clinical staff employed and determined by a state mental health agency to meet established class specification qualifications of a Mental Health Counselor, Clinical Social Worker or Psychological Assistant:
  - a. LCPs, LCSWs and clinical staff employed and determined by a state mental health agency to meet established class specification qualifications of a Mental Health Counselor, Clinical Social Worker or Psychological Assistant may bill and receive reimbursement for individual psychotherapy (via a telecommunications system), but may not seek reimbursement for medical evaluation and management services. Refer to MSM Chapter 400 for medical coverage requirements.
- 6. End Stage Renal Disease (ESRD)
  - a. ESRD visits must include at least one face-to-face visit to examine the vascular access site by a provider; however an interactive audio/video telecommunications system may be used for providing additional visits.
  - b. Medical records must indicate that at least one of the visits was furnished face-to-face by a provider. Refer to MSM Chapter 600 for medical coverage requirements.

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7. Smoking Cessation

- a. Smoking cessation counseling services are covered only for pregnant women. Refer to MSM Chapter 600 for medical coverage requirements.

3403.6 NON COVERED SERVICES

- A. Services delivered using telecommunications, but not requiring the recipient to be present during the consultant's evaluation.
- B. Interpretation and report of radiology and diagnostic testing.
- C. Asynchronous telecommunications in single media format, such as:
1. telephone calls;
  2. images transmitted via facsimile machines (faxes); and
  3. text messages (electronic mail).

3403.7 RECIPIENT RESPONSIBILITY

To be eligible for telehealth services, recipients must present from a **qualifying** originating site **as defined in Section 3403.2(a)**.

3403.8 PRIOR AUTHORIZATION

Utilization of telehealth services does not require prior authorization. However, individual services delivered (via **telehealth**) may require prior authorization. It is the provider's responsibility to refer to the individual medical coverage policies through the MSM for coverage requirements.

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3404 HEARINGS

Please reference **Medicaid Services Manual (MSM)** Chapter 3100, Hearings for Medicaid recipient hearing procedures.